



Community Resilience Fund

A model for locally led climate adaptation

Summary

Malawi faces escalating climate disasters, particularly floods. In response, the government enacted the progressive *Disaster Risk Management (DRM) Act 2023* and established a national DRM Trust Fund. However, implementation gaps persist: funding prioritizes emergency response over preparedness, and district councils remain under-resourced. The Nsanje District pilot of the Community Resilience Fund (CRF) demonstrates a scalable, community-led solution that fosters ownership and accountability. The CRF model aligns with global climate finance agendas by enabling direct support to vulnerable communities. Key recommendations include operationalizing the DRM Trust Fund, adopting the CRF model, securing dedicated national budget lines, and aligning international finance with decentralized delivery and capacity building.



Recommendations

- **Prioritize operationalizing the DRM Trust Fund:** the government should fast-track the review and endorsement of the draft regulations for the fund. This is essential to unlock a predictable, national financing mechanism for preparedness and resilience.
- **Invest in sustained capacity building for local structures:** donors and the government should fund a national scale-up of capacity building for community committees and district councils, covering financial management, transparent procurement, proposal development, and climate-resilient project design.
- **Adopt the CRF model as a key delivery mechanism for the DRM Trust Fund:** informed by the CRF pilots, the government should formally adopt the CRF model as a primary delivery channel for the fund, institutionalizing community-led project management with district-level technical oversight.
- **Establish a predictable national budget line for DRM:** the Ministry of Finance should establish a dedicated, national budget line for DRM. This allocation should capitalize the DRM Trust Fund annually.
- **Align international climate finance with the CRF mechanism:** international partners, donors, and climate funds should align with this national strategy. New finance for adaptation and loss and damage should be channelled through mechanisms like Malawi's DRM Trust Fund and using the proven CRF delivery model.

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Introduction and background

Malawi is susceptible to various natural hazards, including floods, droughts, and cyclones, due to its geographical location and climate patterns. The impact of these hazards can be severe, leading to loss of life, displacement of communities, damage to infrastructure, and disruption of livelihoods and increased food insecurity. Floods are among the most frequent and devastating disasters in Malawi, with 16 per cent of the country's surface areas exposed to flooding (Garcin et al., 2025). Climate events are frequent and fatal: since 2010, Malawi has been affected by 16 major flooding events. Climate change is expected to exacerbate Malawi's development challenges, increasing risk for already vulnerable communities. Extreme wet and dry seasons will reduce agricultural productivity and, as an already water-scarce country, access to safe, clean water may become increasingly challenging (World Bank, 2022).

In 2023, the Government of Malawi approved the *DRM Act 2023*, which provides a strong legal framework for decentralized DRM, empowering local structures (Government of Malawi, 2023). This Act marks a critical shift from a reactive response to a comprehensive approach that encompasses preparedness, mitigation, response, and recovery. In 2023, Concern Worldwide launched a pilot CRF model in three communities in Nsanje District, southern Malawi. Concern Worldwide has now expanded the CRF in Nsanje and is scaling up to two new districts – Chikwawa and Lilongwe Urban – where the model is being adapted to suit the specific needs of these communities. The CRF enables communities to propose and implement their own solutions to increase climate resilience, with technical guidance from civil society and local government.

Policy gaps

The Government of Malawi first established a policy on disaster preparedness in 1991. Since then, the government has continued to build on policy and national strategies, such as the *Disaster Management Policy 2015*, which led to the *DRM Act 2023*. Multiple complementary policies exist, including the *Climate Change Management Policy 2016* and the *National Contingency Plan 2021–2022*. However, there are several gaps between policy and implementation for disaster preparedness:

- Financial constraints hinder progress for DRM, with a limiting 1 per cent of the national budget attributed to disaster risk reduction funding (Krutham, 2024). Funding for disasters has regularly focused on response rather than implementing mechanisms that release investment for early warning and preparedness. Although the DRM Trust Fund within the *DRM Act 2023* aims to address this financial gap, the fund is not yet operational.

- Coordination for disasters remains centralized. The DRM structure includes multiple ministries, departments, and agencies, leading to diluted responsibilities and communication challenges between national and local levels. This fragmented assembly creates duplication of climate resilience activities, ineffective reporting, and loss of critical information sharing (World Bank Group, 2024).

The CRF model was designed specially to align with the principles of locally led adaptation (LLA), which is championed by global bodies and addresses national policy gaps (IIED, 2025). The CRF model focuses on building capacity among communities to design and implement locally led solutions to disaster risks. The model supports a decentralized approach, with local decision-making that is inclusive of all stakeholders, including marginalized members of the community. The model also advocates for coordination and implementation that builds on the core competency of each partner. Robust monitoring and reporting mechanisms not only ensure transparency and accountability but also strengthen open and continual communication.

Methodology and policy analysis

This policy brief focuses on the CRFs piloted in Nsanje District in southern Malawi. Key informant interviews were conducted with the national government, international agencies, and academic institutes to give an overview of the DRM sector in Malawi. To understand the CRF model, interviews in Nsanje were conducted by a Concern Worldwide research team with communities who participated in the CRF, partner and non-partner civil society organizations, and the local government. Focus group discussions were carried out with two implementing communities, with considerations to ensure that women, youth, and persons with disabilities were included and represented.

Key findings from the Nsanje pilot

The Nsanje pilot provides a well-documented case study of how to bridge the policy–implementation gap. The model comprises a number of standardized grant processes: design and proposal, implementation, monitoring, and completion. The unique aspect of this model is that it is community led, with the implementing agency (Concern Worldwide) and district council providing advice and technical support.

Stakeholder engagement and community ownership

A key success factor was the model's ability to build community ownership while integrating technical oversight.

- **Governance:** the model established a CRF committee (CRFC) in each community. The CRFC was inclusively formed with representatives from



Community-led construction of a sandbag wall to strengthen the riverbank. Photo: Eric Banda, Concern Worldwide

existing local structures (e.g. village development committees, natural resource management committees, and DRM committees) as well as technical experts from the local government (e.g. agriculture, forestry).

- **Empowerment:** the community-led structure was responsible for the entire project cycle: conducting needs assessments, developing proposals, managing procurement, and overseeing implementation.
- **Social inclusion:** decision-making structures such as the committees and taskforce groups were inclusive of women, youth, and persons with disabilities. Taking a socially inclusive approach supports the reduction of inequalities.
- **Accountability:** community members noted that the process created a profound 'sense of empowerment'. Community-led decision-making resulted in high engagement and strong financial accountability, and a key driver to avoid mismanagement of funds was open dialogue and collective responsibility.
- **Coordination:** district council offices provided essential technical guidance; for example, one of the communities proposed the development of a flood drainage system for which the design plans were developed in collaboration with the District Water Office. Monitoring requirements between implementation phases were also coordinated by district offices. This blends local leadership with the necessary technical standards.

'This robust wall, constructed as part of our CRF project, serves as a vital shield, safeguarding our villages against the rising water levels of the Lalanje River during the current rainy season. Beyond mitigating erosion along the riverbanks, the wall symbolizes our collective determination to fortify our community's resilience in the face of natural challenges.'

— Mr Enoch, Mbenje Taskforce chairperson

'The women in Mbenje are grateful for the initiative. Women are the most at risk during times of flooding. Men can leave home, but women have to stay; they are left alone. Being able to reduce the risk of flooding means better lives for women.'

— Alice Sabe, village DRM committee member

Capacity building for sustainability

The model places strong value on the importance of including capacity-strengthening activities throughout the cycle of the fund. All three of the pilot communities noted two valuable capacity-training activities:

- **Proposal writing:** training on how to translate community needs assessments into formal project proposals was cited as particularly impactful. This will equip communities with the skills to apply for future funding, including existing district and national grants such as the Constituency Development Fund.
- **Financial management:** communities received training in budgeting, procurement, and banking. This financial accountability is essential for building trust and advocating for future investment from mechanisms like the national DRM Trust Fund.

'Over time, there has been a misconception that local communities lack the capacity to handle projects on their own. However, through these interventions, it has become evident that, with appropriate training and support, communities are fully capable of taking charge. One aspect that particularly stands out is the cost-effectiveness of community-managed interventions. By involving communities in the project-management process, expenses are minimized, showcasing the effectiveness of local involvement in driving sustainable change.'

— Mr Moses Mumba, Disaster Management Officer for Nsanje District

Awareness of national policy

Concern Worldwide had led DRM information sessions, and communities showed a high level of awareness of the *DRM Act 2023*, with reference to the DRM committee (Part IV), funding mechanisms (Part IX), and regulation in high-risk zones (Part VI).

'During my visits to the three project sites, I was truly impressed by the meticulous financial management carried out by the committees, diligently maintaining records of all transactions and overseeing the efficient procurement of materials using the CRF funds. It is imperative that we not only invest in infrastructure but also in strengthening the capabilities of our communities. The seamless coordination between Nsanje District Council and the Concern Worldwide team deserves special recognition, as it exemplifies the collaborative approach we aspire for in all our projects.'

— Representative from the Department of Disaster Management Affairs

Areas for improvement

The pilot highlighted some challenges and learnings to consider in future CRFs:

- **Inflation of materials:** due to economic fluctuations, the cost of materials increased, which prevented one community from completing its desired dyke construction. Taking a proactive response, the community used their new proposal-writing skills gained through the CRF training to approach a number of potential new donors for further funding.
- **Funding delays:** some delays were noted between funding tranches, which were tied to monitoring and evaluation requirements. This will be addressed in future CRF projects.

Conclusion

The experience of the Nsanje CRF pilot demonstrates that community-managed funds are practical, effective, and offer strong value for money for LLA. By providing essential technical guidance and capacity building – from proposal writing to financial management – the model successfully empowers communities, strengthens local governance, and shifts DRM from a reactive approach to proactive preparedness. The CRF not only operationalizes Malawi's *DRM Act 2023* but also offers a scalable and transparent mechanism for channelling climate finance directly to the most vulnerable. Importantly, this approach aligns with global climate



Dyke built by a community-led initiative to protect a local school of approximately 2,000 students from flooding.
Photo: Aimée Vaughan, Concern Worldwide

finance agendas and readiness to access international sources, such as the Global Shield against Climate Risks and the Loss and Damage Fund.

Despite challenges, such as inflation-driven cost increases and funding delays linked to monitoring requirements, the pilot has shown that communities can respond proactively, leveraging new skills to seek additional resources and ensure project continuity. Moving forward, the urgent priority for Malawi is to bridge the gap between national policy and local action by fully operationalizing the DRM Trust Fund and adopting the CRF model as its delivery mechanism. This will build genuine, sustainable community resilience and will position Malawi as a leader in the transparent and effective deployment of global climate finance.

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